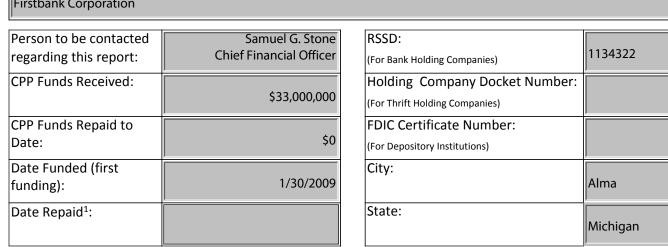
ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

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¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

^	than otherwise would have occurred.	Capacity has increased. However, lack of demand for credit from high quality borrowers in our market areas prevents loan growth. Refinance and sale into the secondary market of residential mortgages has provided borrowers with easier terms of repayment but has decreased loan balances.
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	To the extent the funds supported	Not applicable.
	increased lending, please describe the	
	major type of loans, if possible	
	(residential mortgage loans, commercial	
	mortgage loans, small business loans,	
	etc.).	
_	Increase securities purchased (ABS, MBS,	Holdings of securities have increased as an appropriate placement of funds, since high quality loan
X	etc.).	demand has not materialized in our market areas.
	ecc.,.	
_	Make other investments	Not applicable.
		not applicable.
	Increase reserves for non-performing	Reserves for non-performing assets have increased as appropriate based on analysis of trends in the
	assets	loan portfolio, but not as a result of obtaining CPP equity.
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X	Reduce borrowings	Holding company borrowings were reduced by \$5.6 million immediately upon receipt of CPP funds
		in accordance with our application for CPP funds.
	Increase charge-offs	Charge-offs have increased due to conditions in the economy, but not as a result of CPP equity.
	Purchase another financial institution or	None.
	purchase assets from another financial	TVOIC.
	institution	
	Hold as non loveraged increase to total	CDD friends have geted as a new lawyeard in groups in total agricultar data due to a large of demand from
	Held as non-leveraged increase to total capital	CPP funds have acted as a non-leveraged increase in total capital to date due to a lack of demand for credit from high quality borrowers in our market areas.
	Capital	a care non-night quanty son on or an inamer areas

	What actions were you able to avoid because of the capital infusion of CPP funds?					
l	ions were you able to avoid because of the capital infusion of CPP funds? This elevated our capital ratios and our capacity to lend. We could have considered attempting to raise equity in the private markets had en offered the CPP opportunity. However, due to the scarce availability and high cost of private equity at the time of accepting the CPP tand continuing to date, we may have chosen to maintain the then current level of capital without expanding our capacity to lend.					

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ternal, informal, working targets for total risk based capital at our affiliate banks had been maintained above the minimum well-capitalized levels ior to receiving funds from CPP. Upon receipt of CPP funds, these working targets were increased to a greater margin above the minimum well-pitalized levels in keeping with preferences conveyed to the banking industry by bank regulators. Lack of demand for credit from high quality prowers in our market areas has to date prevented or deferred expansion of the loan portfolio and the associated leveraging of capital that mes with expansion of loans.					

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lone at this time.	Please describe any other	er actions that you we	ere able to underta	ke with the capita	l infusion of CPP fu	unds.	
	None at this time.						

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.